

MINUTES OF THE  
JOINT HEALTH AND HUMAN SERVICES APPROPRIATIONS SUBCOMMITTEE  
THURSDAY, FEBRUARY 11, 2010, 2:00 P.M.  
Room 30, House Building, State Capitol Complex

Members Present: Sen. Allen M. Christensen, Co-Chair  
Rep. John Dougall, Co-Chair  
Sen. Patricia W. Jones  
Sen. Daniel R. Liljenquist  
Sen. Margaret Dayton  
Rep. Kraig Powell  
Rep. Rebecca Chavez-Houck  
Rep. Ben C. Ferry  
Rep. Keith Grover  
Rep. Paul Ray  
Rep. David Litvack  
Rep. Ronda Rudd Menlove

Staff Present: Russell Frandsen, Fiscal Analyst  
Stephen Jardine, Fiscal Analyst  
Ernest Hayes, Secretary

Public Speakers Present: Dr. David. N. Sundwall, Executive Director, Utah Department of Health  
Dr. David Patton, Deputy Director, Utah Department of Health  
Michael Hales, Deputy Director, Utah Department of Health  
Joe Christensen, Deputy State Auditor  
Duane Betournay, Director, Division of Child and Family Services

A list of visitors and a copy of handouts are filed with the committee minutes.

**1. Call to Order**

The meeting was called to order by Co-Chair Dougall at 2:19 p.m.

**2. FY 2011 Budget Discussion. Voting and Prioritization**

**MOTION:** Rep. Ferry moved to adopt base budget recommendations proposed by the chairs as a base budget to begin from.

Rep. Ferry spoke to the motion. Rep. Litvack and Sen. Jones spoke in opposition to the motion. Rep. Powell asked for clarification. Sen. Liljenquist spoke in favor of the motion. A discussion on the motion took place.

The motion passed with Sen. Jones, Rep. Litvack, and Rep. Chavez-Houck voting no and Sen. Dayton and Rep. Grover being absent.

**MOTION:** Rep. Dougall moved to adjust the base budget according to the recommendations from the Department of Health and set add back line item #2 from \$650,000 to 0, add back line item #5 from \$361,900 to 0, add back line item #18 from \$40,000 to 0 and add back line item #19

from \$44,000 to 0.

The motion passed unanimously.

Dr. David Patton, Deputy Director of the Utah Department of Health, briefly explained the proposed motion as corresponding to the reorganization of the department. The department was reduced from four to three divisions, and this restructuring requires a change in how budgetary line items are allocated.

**MOTION:** Sen. Christensen moved to change the existing Utah Department of Health budgetary line items from 10 line items to 9 and accompanying programs as reflected on the detailed budget sheets and direct that the Legislative Fiscal Analyst prepare the FY 2011 appropriation under this structure. Sen. Christensen also moved to authorize staff to make technical adjustments to reflect further committee actions that changes the money allocated to this program.

The motion passed unanimously.

Michael Hales, Deputy Director of the Utah Department of Health, addressed the committee in regards to the department's proposed intent language for Medicaid. He explained that the intent language would allow the department to engage in disease management or case management programs with program dollars as opposed to administrative budget. It would give the department more flexibility and lead to cost savings.

**MOTION:** Sen. Christensen moved to approve the Department of Health's Intent Language for Medicaid.

The motion passed unanimously.

**MOTION:** Sen. Christensen moved to approve the intent language as written on the motion sheet entitled Motion Sheet - Department of Human Services handed out to the committee on February 10, 2010.

In response to a committee question from Rep. Powell, Stephen Jardine, fiscal analyst, explained that the adoption of this intent language would allow the department to use non-lapsing authority for the following year.

The motion passed unanimously.

Russell Frandsen, fiscal analyst, provided the committee with a brief explanation of the document entitled Health Department Fees and addressed a committee question regarding fees.

In response to a committee question, Dr. Sundwall also addressed the committee regarding fees.

**MOTION:** Sen. Christensen moved to adopt the intent language and the fees within the Health Department fee schedule.

The motion passed unanimously.

**MOTION:** Sen. Christensen moved to adopt the intent language found on the sheet titled Intent Statement Motions regarding the Department of Human Services - 1:09 PM

The motion passed with Sen. Jones, Rep. Litvack, and Rep. Chavez-Houck voting no.

Duane Betournay, Director of the Division of Child and Family Services, answered a committee question on caseloads. He stated that DCFS is already operating at a maximum and by increasing caseloads, it would create some management issues and definitely have an impact.

Mr. Jardine briefly explained that \$10.5 million will be funded with federal ARRA money.

Sen. Jones requested that the department elaborate on the effects of add back line item #4 - Department of Health Lower Asset Level for Pregnancy, to prenatal care. Mr. Hales spoke to the issue briefly and explained the Baby Your Baby program. Other committee questions on the program were addressed by Mr. Hales.

Mr. Hales responded to a question on midwife coverage by stating that Medicaid covers certified nurse midwives only.

**MOTION:** Sen. Christensen moved to adopt the intent language for non-lapsing authority items on the sheet entitled Motion Sheet - Department of Health.

Dr. Mark Babitz, Director of Family Health and Preparedness, responded to a committee question regarding the Child Licensing Program. He stated that there are a variety of requirements for child care providers to be able to get subsidy money.

**SUBSTITUTE MOTION:** Rep. Litvack moved to adopt the items on the motion sheet entitled Motion Sheet - Department of Health, minus item number six.

Mr. Betournay recommended no further cuts to the department and stated that any further cuts would have a large impact. Mr. Frandsen clarified the substitute motion for the committee stating that \$38,000 would be backfilled with the substitute motion.

The motion passed with Rep. Dougall voting in opposition.

**MOTION:** Rep. Ferry moved to restore the general ongoing funding to add back line item #1 DHS -DAAS Aging Medicaid Services from \$83,100 to 0, add back line item #1-DHS DAAS Aging Local Government Grants from \$224,100 to 0, add back line item #1 DHS DAAS Aging Non-Formula Funds from \$6,100 to 0.

Rep. Ferry spoke to the motion saying that it's important to fund these services which deal with the aged and with children. He also stated that it is important to have all of these funding add backs to be ongoing.

The motion passed unanimously.

**MOTION:** Rep. Ferry moved to restore the general ongoing funding to add back line item #8 DHS DSPD Brain Injury Medicaid Waiver Services from \$42,700 to 0, add back line item #8 DHS DSPD Physical Disability Medicaid Waiver Services from \$26,800 to 0 and add back line

item #8 DHS DSPD Non-Medicaid Waiver Disabilities Services from \$20,700 to 0.

The motion passed unanimously.

**SUBSTITUTE MOTION:** Rep. Powell moved to restore the general ongoing funding for add back line item #1 DHS -DAAS Aging Medicaid Services from \$83,100 to 0, add back line item #1-DHS DAAS Aging Local Government Grants from \$224,100 to 0, add back line item #1 DHS DAAS Aging Non-Formula Funds from \$6,100 to 0, and to one time back fill funding through the Disabilities Trust Fund to add back line item #8 DHS DSPD Brain Injury Medicaid Waiver Services from \$42,700 to 0, add back line item #8 DHS DSPD Physical Disability Medicaid Waiver Services from \$26,800 to 0, add back line item #8 DHS DSPD Non-Medicaid Waiver Disabilities Services from \$20,700 to 0, and add back line item #24 DHS DSPD Service Delivery (Case Management), and to use the bottom line DSPD savings to restore funding to other areas.

A discussion on the substitute motion took place. Mr. Frandsen clarified the motion and went through the total amounts included in Rep. Powell's motion. Rep. Powell offered a summary to his substitute motion and spoke to the use of rainy day funds.

The motion failed with Sen. Jones, Rep. Chavez-Houck, Rep. Litvack, and Rep. Powell voting in favor.

**MOTION:** Rep. Litvack moved to restore ongoing funding to add back line item #24 DHS DSPD Service Delivery (Case Management) from \$204,500 to 0, add back line item #9 DHS Local Substance Abuse Services from \$250,000 to 0, and add back line item #8 DHS Mental Health Centers from \$1,213,900 to 0.

Rep. Litvack spoke to the motion and stated that restoring the outlined reductions would have a direct benefit to citizens.

Sen. Liljenquist requested that the motion be divided and voted on separately. He then spoke to the motions and spoke against the restoration of funds to add back line item #24 DHS DSPD Service Delivery (Case Management). Rep. Menlove stated that she was in favor of dividing the motion. She also advocated in favor of restoring funds to add back line item #9 DHS Local Substance Abuse Services, as it would benefit citizens directly.

Rep. Litvack then offered a summation to his motion. Co-Chair Dougall divided the motion into three parts.

**MOTION:** Rep. Litvack moved to backfill add back line item #8 DHS Mental Health Centers from \$1,213,900 to 0.

The motion passed with Sen. Dayton, Sen. Liljenquist, Rep. Ferry, Rep. Grover and Rep. Menlove voting no.

**MOTION:** Rep. Litvack moved to back fill add back line item #9 DHS Local Substance Abuse Services from \$250,000 to 0.

The motion passed unanimously.

**MOTION:** Rep. Litvack moved to backfill add back line item #24 DHS DSPD Service Delivery (Case Management) from \$204,500 to 0.

The motion passed with Rep. Dougall voting in opposition.

**MOTION:** Sen. Christensen moved to reset add back line item #8 DHS Mental Health Centers with a \$600,000 reduction.

Rep. Litvack and Sen. Jones spoke against the motion stating that this is a crucial area that shouldn't be reduced even by \$600,000. Sen. Liljenquist spoke in favor of Sen. Christensen's motion. Rep. Powell commented on the motion as well.

The motion passed with Sen. Jones, Rep. Chavez-Houck, and Rep. Litvack voting in opposition.

**MOTION:** Sen. Liljenquist moved to change the proposed reduction to add back line item #22 DHS DSPD Utah State Developmental Center, from \$2,045,400 to \$1,045,400.

Sen. Liljenquist spoke to the motion and said that the proposed restoration would be appropriate. Rep. Powell spoke against the motion. Rep. Litvack also spoke against the motion stating that there is a need for a continuum of care. Sen. Liljenquist then offered a summation to his motion by stating that it makes sense to take a measured approach on this reduction.

The motion passed with Sen. Jones, Rep. Chavez-Houck, Rep. Litvack, Rep. Powell, and Rep. Ray voting in opposition.

**MOTION:** Sen. Christensen moved to restore to add back line item #8 Mental Health Centers, \$613,900 in one time back fill from the Disabilities Trust Fund.

Sen. Liljenquist spoke in favor of the motion.

**SUBSTITUTE MOTION:** Sen. Jones moved to restore to add back line item #8 Mental Health Centers, \$613,900 in one time back fill from the Disabilities Trust Fund and to restore ongoing funding to add back line item #8 In Home Services from \$112,700 to 0 and add back line item #8 Special Needs from \$29,800 to 0.

Sen. Jones spoke to the substitute motion citing the need for respite care.

The motion passed unanimously.

Dr. Sundwall requested that the committee consider not reducing Child Care Licensing. He mentioned that, to his understanding, there have been more deaths in child care settings than there have been in mining.

**MOTION:** Sen. Christensen moved to restore ongoing funding to add back line item #59 Child Care Licensing from \$100,000 to 0.

The motion passed with Rep. Dougall voting in opposition.

Co-Chair Dougall expressed his interest in seeing increased efficiency in the activities of the organization and his desire to work with Dr. Babitz to this effort.

**MOTION:** Sen. Christensen moved to use \$4,437,700 from the tobacco settlement account as one time money to balance the remaining budget and cover back fills.

Mr. Frandsen noted for the committee that this motion would require a statutory change in order to effectuate the changes. In response to a committee question regarding the Tobacco Settlement Account, Mr. Frandsen advised the committee that there would be a remaining balance for ongoing use of \$13 million.

The motion passed unanimously.

**MOTION:** Rep. Menlove moved to restore ongoing funding to the Aging Alternatives Program to \$500,000.

Rep. Menlove spoke to the motion saying that the Alternatives Program is an important service for seniors.

Sen. Jones spoke in favor of the motion and stated that the Alternatives Program helps seniors stay in place.

Mr. Frandsen briefly clarified for the committee that the Executive Appropriations Committee chairs have indicated that they can, if they choose to, prioritize these items in with the proposed reductions.

**SUBSTITUTE MOTION:** Rep. Ray moved to restore ongoing funding to the Aging Alternatives Program to \$500,000 as well as restore ongoing funding to add back line items #62, #63, and #64 from the FY 2010 sheet.

Rep. Menlove spoke in favor of the substitute motion.

The motion passed with Sen. Christensen and Rep. Dougal voting in opposition.

**MOTION:** Sen. Liljenquist moved to back fill with one time money from the Disabilities Trust Fund, the Community Services Waiver in the amount of \$1.7 million.

Sen. Liljenquist spoke to the motion and stated that for FY 2010, the Community Services Waiver was cut by \$3.4 million and then backfilled to \$1.7 million, that he would like to see the backfill continue for FY 2011 and that he hopes to make the backfill ongoing in Executive Appropriations.

Clarification was requested by committee members.

In response to Rep. Powell's question regarding funds left in the Disabilities Trust Fund, Mr. Jardine stated that roughly, the amount comes to about \$2 million.

The motion passed unanimously.

Rep. Litvack asked staff a question regarding the Tobacco Settlement Restricted Account.

**MOTION:** Rep. Litvack moved to restore add back line item #8 DHS DCFS Domestic Violence Services with \$58,700 one time backfill out of the Victims of Domestic Violence Service Account.

The motion passed unanimously.

In response to Co-Chair Dougall's request, Mr. Frandsen walked through the motions related to the Medicaid Review Implementation Report.

**MOTION:** Sen. Christensen moved to approve the motions from the Medicaid Review Report.

The motion passed unanimously.

Mr. Frandsen spoke about six changes that would add more detail to the Medicaid budget program and reviewed those for the committee.

**MOTION:** Sen. Christensen moved to approve the administrative changes to the Medicaid budget program.

The motion passed unanimously.

**MOTION:** Sen. Christensen moved to approve item #16 on the base budget to increase Medical Facility Licensing Fees by 30%.

The motion passed with Rep. Dougall voting in opposition.

**MOTION:** Sen. Christensen moved to have staff re-order items as they currently are in the budget based on committee action.

The motion passed unanimously.

**MOTION 23:** Sen. Christensen moved to restore add back line item #85 Medicaid Positions Rates with ongoing funds at \$284,000.

The motion passed with Rep. Dougall voting in opposition.

Mr. Frandsen responded to a committee question regarding remaining balances.

**MOTION:** Rep Ray moved to adjourn.

The motion passed with Rep. Litvack, Rep. Chavez-Houck, and Sen. Jones voting in opposition.

Co-Chair Dougall adjourned the meeting at 4:52 p.m.

Minutes recorded by Ernest Hayes, Secretary

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Sen. Allen Christensen, Committee Co-Chair

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Rep. John Dougall, Committee Co-Chair